

(The remarks of Mr. DODD pertaining to the introduction of S. 2755 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

### LEGISLATIVE SESSION

The ACTING PRESIDENT pro tempore. The majority leader.

### DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2005—CONFERENCE REPORT

Mr. FRIST. Mr. President, I ask unanimous consent that following the granting of this request, the official Senate copy of the Defense appropriations conference report having been presented to the desk, the Senate proceed to 2 hours for debate only, with 1 hour equally divided between the chairman and ranking member of the committee and 1 hour equally divided between Senator MCCAIN and Senator INOUE; provided further that following that time the Senate proceed to a vote on adoption of the Defense appropriations conference report with no intervening action or debate and points of order waived; further, that when the Senate receives the official papers from the House, the vote on passage appear at the appropriate place in the RECORD following the receipt of those papers; and, finally, this agreement is null and void if the House does not agree to the conference report.

The ACTING PRESIDENT pro tempore. The Senator from Nevada.

Mr. REID. Mr. President, reserving the right to object, if all goes well, Members will not use the full 2 hours. This, I think, is the only remaining vote Members would have to worry about tonight unless something untoward happens. Is that right?

Mr. FRIST. Mr. President, we have several business items, one of which has Transportation, Coast Guard, and other issues. The assistant Democratic leader is right with his implication that this is going to be in all likelihood the only rollcall vote. It is absolutely critical that Members understand we have other items we have to address tonight. We need to do that, and finish with this vote, if all goes well.

Mr. REID. Mr. President, if everything goes well, Members may have a vote on this very important conference report.

There is no objection on this side.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Who yields time?

Mr. DAYTON. Mr. President, after the vote on the Defense appropriations, will there be opportunities for Senators to speak on other subjects?

Mr. FRIST. Mr. President, there will be. We will be happy to be here through the night for morning business—at some reasonable hour, I hope. We will be here for a while.

Mr. DAYTON. I thank the majority leader.

The ACTING PRESIDENT pro tempore. The clerk will report.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4613) "making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes," having met, have agreed that the House recede from its disagreement of the amendment of the Senate, and agree to the same with an amendment, and the Senate agree to the same.

Signed by all of the conferees on the part of both Houses.

(The conference report is printed in the House proceedings in the CONGRESSIONAL RECORD of Tuesday, July 20, 2004 (No. 101—Book II).)

The ACTING PRESIDENT pro tempore. The Senator from Alaska.

Mr. STEVENS. Mr. President, our Appropriations Committee is pleased to present to the Senate the Defense Appropriations Conference Report for the Fiscal Year 2005. I believe passage of this measure today represents the earliest date the Defense bill has ever been sent to the President for signing.

This conference report symbolizes a balanced approach to fulfilling the financial needs for the Department for the fiscal year 2005.

It provides \$416.2 billion in new discretionary spending authority for the Department of Defense. This amount includes \$25 million in emergency spending requested by the President for the fiscal year 2005 costs associated with the operations in Iraq and Afghanistan. That provision becomes effective immediately upon the signing of this bill by the President.

The conference report fully funds key readiness programs critical to the global war on terrorism such as land forces training, helicopter flying hours, ship steaming days, and spare parts.

It fully funds the 3.5 percent military pay raise proposed in the President's budget, and increases levels for basic allowance for housing, eliminating service members' average out-of-pocket housing from 3.5 percent to zero in 2005.

It provides \$1.5 billion above the President's budget request for Army and Marine Corps recapitalization of combat and tactical vehicles, helicopters, and ammunition, and provides a total of \$18.2 billion for the Defense Health Program, an increase of \$2.5 billion over the fiscal year 2004 enacted level.

I urge all Members to support the men and women in uniform who risk their lives for our country each day by voting for this measure.

I would like to thank Larry Lanzillota, the Acting Department of Defense Comptroller, for his hard work, dedication, and diligence throughout the past year. He has done a superb job and we wish him success in his future endeavors.

I also thank my cochairman, Senator INOUE, for his support and valuable counsel, and recognize him for any statement he wishes to make.

I wish to put in the RECORD the names of the diligent staff members who have worked on this bill night and day to be able to present it to the Senate at this time, as follows:

Charlie Houy, Betsy Schmid, Nicole DiResta, Sid Ashworth, Jennifer Chartrand, Kraig Siracuse, Tom Hawkins, Kate Kaufer, Lesley Kalan, Alycia Farrell, Brian Potts, Brian Wilson, Janelle Treon, and Mazie Mattson.

I yield to my friend from Hawaii, if he wishes to make an opening statement.

The ACTING PRESIDENT pro tempore. The Senator from Hawaii.

Mr. INOUE. Mr. President, I rise today to address the Defense appropriations conference report that passed the House earlier today.

First, I wish to commend my chairman, Senator STEVENS, and his capable staff for this agreement.

The proposals provided by the conference report represent a careful balance between the recommendations of each body. Moreover, it provides what the Defense Department needs for the coming year.

This is a good bill. It represents a fair compromise. It is the product of a lot of hard work by the chairman and members of the committee. I recommend all my colleagues support it.

Let me highlight just a couple of key items in this measure.

In meeting the conference committee priorities, the bill supports the men and women in uniform. It approves a 3.5 percent pay raise for them. It funds health care requirements to include benefits that are authorized for our guard and reserve forces. And, most important in this very challenging time, it provides significant increases for force protection—specifically up armored "humvees", body armor, better helmets, armor plating for other vehicles and new technology to try and counter improvised explosive devices.

The bill provides substantial resources to enhance investment programs in the Defense Department to support key programs like the V-22, the F-22, the new DDX destroyer, the littoral combat ship, missile defense and significant increases in Army equipment for Stryker combat vehicles, trucks, and helicopters.

But, I want to inform my colleagues that this bill does not rubber stamp the administration's desires. It reduces many programs for which insufficient justification has been provided. While we recognize that the country needs to continue to enhance its space capabilities, members of the Appropriations Committee have learned the hard way that improvements must be developed prudently. It is a waste of resources to try and accelerate complex new technologies in the manner recommended by civilian officials in the Defense Department.

The bill also provides \$25 billion in emergency spending, the amount requested, but it allocates the funds to meet the priorities and needs of the individual military departments, not the

blank check sought by the administration. It provides adequate safeguards on these funds to ensure proper congressional oversight and requires stringent reporting requirements on its use.

I point out also that there are a few items in here that do not fall under the jurisdiction of the Defense Subcommittee. I will defer to others to speak to those.

This is a good bill. It represents a fair compromise. It is the product of a lot of hard work by the Chairman and Members of the committee. I encourage all my colleagues to support it.

I reserve the remainder of my time.

The ACTING PRESIDENT pro tempore (Mr. CHAMBLISS). Who yields time?

Mr. STEVENS. Mr. President, on behalf of my colleague from Hawaii, I reserve the remainder of our time. Senator BYRD has his time, Senator MCCAIN will have his time, and we will withhold our time.

Our time is reserved?

The ACTING PRESIDENT pro tempore. Yes.

Who yields time?

Mr. BYRD. Mr. President, how much time do I have?

The ACTING PRESIDENT pro tempore. The Senator has 30 minutes.

Mr. BYRD. Mr. President, I yield such time as I may require from my allotted time.

Yesterday, the General Accounting Office released a shocking report about the state of funding for our troops in Iraq and Afghanistan. Simply put, our troops are running out of money. But the White House denies that there is a problem.

The findings in the General Accounting Office report are alarming. The Army is overspending its fiscal year 2004 operations in maintenance funds to the tune of \$10.2 billion. The Air Force urgently needs another \$1.4 billion this fiscal year, and the Marines are short by \$500 million. Our military is cutting back on training at the same time that retired service members are being pressed back into uniform to be sent overseas. These budget problems are being compounded by the fact that the White House planned on having only 99,000 troops in Iraq by this point instead of the 140,000 troops we will have there for the foreseeable future. This is the most astounding evidence to date that the administration has fundamentally mismanaged the financing for the wars in Iraq and Afghanistan. The President did not bother to put a single dime, not one thin dime, in his February budget request for these wars. He insisted that more funding would not be needed until January 2005.

Even when the administration flip-flopped and came to Congress on May 13, 2004, to ask for a \$25 billion emergency reserve fund, top administration officials denied that there was an urgent need for more funds to support our troops in the field. Deputy Defense Secretary Wolfowitz described the \$25 billion which is contained in the con-

ference report of the Defense appropriations bill now before the Senate as an insurance plan. That is the way Mr. Wolfowitz described it. Secretary Wolfowitz stated in his testimony to the Armed Services Committee that our troops would not run out of funds until February or March 2005.

I didn't buy that line. The administration has fallen down on the job in budgeting for these wars, and his budget projections simply are not to be trusted. I say "these wars" because we are fighting two wars, one war in Afghanistan, which is the result of the al-Qaida attack upon the United States on September 11, 2001. That was an attack upon the United States by those individuals who had hijacked planes and flown them into the World Trade Towers, into the Pentagon, and into the field in Pennsylvania. That was one war. I supported Mr. Bush on that war. I support that war today.

The second war is the Bush war, the war that is of Mr. Bush and his ring of people around him in the White House. That is the Bush war. That was an attack upon a sovereign nation which had not provoked us, which had not attacked us. That was an attack on a nation in support of the Bush doctrine of preemption. I did not support that war then, and I do not support it today.

I did not buy that line. The administration has fallen down on the job of budgeting for these wars, and its budget projections simply are not to be trusted. It should have been clear to anyone who has picked up a newspaper in the last 6 months that our troops were beginning to run low on funds, but the administration sent witnesses bearing only rosy scenarios.

To add insult to injury, the White House asked for a \$25 billion blank check on the heels of Bob Woodward's revelations in his book, "Plan of Attack," about the Pentagon hiding from Congress \$700 million in spending to prepare for war in Iraq. This was an astounding request.

Thankfully, Congress has seen through the administration's double dealing on funding our troops. I thank the chairman of the Appropriations Committee, Senator TED STEVENS, and his colleague, the ranking member of the Appropriations Defense Subcommittee, Senator DANIEL INOUE, for working to pierce the fog of rhetoric to reshape this \$25 billion reserve fund to best help our troops while protecting the constitutional prerogatives of Congress.

Instead of being a \$25 billion blank check, \$23 billion of these funds—that is, 92 percent—is made available for regular appropriations accounts. This means that Congress will be better able to track how these additional funds are used. In addition, the \$25 billion in funding will be available for our troops as soon as this bill is signed into law. They will not have to wait until October 1 to purchase the critical equipment our troops need to survive in the combat zones in Iraq and Afghanistan.

Again, I thank Senator STEVENS and Senator INOUE for working with me to promote fiscal responsibility and accountability for how these funds are to be used.

Despite the improvements made to the administration's request for funding for the war, I continue to have serious concerns about the direction of the so-called peacetime defense budget; that is, the huge amount of funds not related to the wars in Iraq and Afghanistan. This bill contains \$391.2 billion for the Pentagon, not including \$25 billion for the cost of the wars. That is a massive increase over the \$287.1 billion appropriated for the Pentagon as recently as fiscal year 2001.

The administration claims this explosion in defense spending is necessary to transform our military into a faster, lighter, and stronger fighting force. But today's Los Angeles Times states that the Army is delaying by 2 years the launch of its first modernized unit that is supposed to be the centerpiece of this defense transformation effort.

In this age of sky-high deficits, could it be that we are getting less bang for more bucks? How else can the administration explain a stalled transformation effort when defense spending has risen 36 percent in 4 years? If this rate of growth continues, this country will soon be spending half a trillion per year on the defense establishment, with no assurance that those funds are being well spent.

The Pentagon's accounting systems are a mess, an absolute mess. Despite Secretary Rumsfeld's promise to me at his confirmation hearing in January 2001 to get this problem fixed, the General Accounting Office has recently issued serious warnings that his accounting reform effort is headed down the wrong track.

In fact, this Defense appropriations bill cuts funds from this accounting reform effort precisely because the Defense Department's program to fix its accounting systems is underperforming. Tens of millions of taxpayer dollars that were supposed to have been put to use in establishing a robust system of financial accountability remain unspent. This Congress made the wise decision not to throw more money at a problem that is not being fixed. When Secretary Rumsfeld gets his accounting reform program back on its feet, I will be the first Senator in line to support all necessary funds for that purpose.

Senators should also realize this Defense appropriations bill brings back from conference something that was never included in the Senate-passed bill and something that was never included in the House-passed bill. It includes a deeming resolution to increase the annual discretionary spending limit to \$821.9 billion for the fiscal year 2005.

The failure of this Congress to pass its annual budget has led to this move to include a deeming resolution in the

Defense appropriations bill, signaling the complete breakdown in this year's budget process.

Setting aside the fact that this provision violates rule XXVIII of the Standing Rules of the Senate, Senators should know that this deeming resolution authorizes \$11 billion less than what the Congressional Budget Office says is necessary to maintain current services, adjusted for inflation. That \$11 billion is needed to maintain services to our veterans, fund health care and education programs for our seniors and our youth, and maintain our mass transit and highway programs.

In a time of war, each dollar devoted to our military must be put to full use. No matter how many additional hundreds of billions Congress may approve for the Pentagon, defense spending without accountability ultimately hurts our troops in the field.

Each dollar that is spent on wasteful contracts, each dollar that is lost in an

accounting maze, is one less dollar for our troops to buy ammunition, to buy fuel, to buy body armor. There must also be a budget so Congress can know the spending plan for our troops on the battlefield will be supported in the coming months and years.

The administration would do well to listen—just to listen; get off its high horse, swallow its false pride, and listen—to this commonsense message. Stop the budget gamesmanship that only endangers the lives of our fighting men and women. Enough of the political posturing that denies that our military in the field may have urgent needs. The President of the United States must take responsibility for the fiscal mess that he has created.

Mr. President, I reserve the remainder of my time.

I yield the floor.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I ask unanimous consent that the time during this quorum call be charged against the time of the Senator from Hawaii and my time.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. STEVENS. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

#### **NOTICE**

***Incomplete record of Senate proceedings.  
Today's Senate proceedings will be continued in Book II.***